UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250 **Notice DAP-168**

For: State Offices and Service Centers

Loading Insured Crop Disaster Program (CDP) Applications for Crops Covered by Group Risk and Written Agreements

Approved by: Deputy Administrator, Farm Programs

1 Overview

A Background

RMA may not use basic units for those producers that purchased Group Risk Protection (GRP) insurance or other plans of insurance with enterprise units. The units downloaded from RMA may not match the unit definition for CDP.

John a. Johnson

In prior disaster programs, County Offices established basic FSA units and loaded the insured applications as noninsurable to ensure that producers received an equitable disaster payment for those producers listed on the RMA download with:

- GRP plans, such as:
 - plan code 12
 - plan code 73
- other plans of insurance with enterprise units
- written agreements.

For 2001/2002 CDP, this poses a problem because of the 95 percent CAP limitation. The 95 percent CAP is not calculated when an application is loaded as noninsurable or uninsured. A method to calculate the CAP reflecting the RMA indemnity on these applications is required.

Disposal Date	Distribution
February 1, 2004	State Offices; State Offices relay to Service Centers

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1 Overview (Continued)

B Purpose

This notice provides policy on loading insured applications for producers that purchased crop insurance with:

- GRP plans, such as:
 - plan code 12
 - plan code 73
- other plans of insurance with enterprise units
- written agreements.

2 County Office Action

A GRP Plans

County Offices will need to establish basic FSA units to ensure that the share relationships are established correctly for those producers listed on the RMA download with:

- GRP plans, such as:
 - plan code 12
 - plan code 73
- other plans of insurance with enterprise units

If the crops in question are insurable in the County Office, an insurable crop record will be provided on the CDP crop table. In most cases, the insurable record on the crop table will not match the record downloaded on the RMA Download Report. However, since there is an insured record on the crop table, County Offices are provided the opportunity to load the affected insured applications though the Cmd16 option in the insured software. When using the Cmd16 option, the unit number is manually entered. County Offices shall use the FSA unit number to ensure that the unit relationship is established correctly.

If the crops in question are not insurable in the County Office, an insurable record cannot be provided on the CDP crop table. In these instances the affected applications shall be loaded through the noninsurable software option and the County Office shall manually calculate the 95 percent CAP using manual worksheet CCC-564D. Payments may be issued to producers that do not exceed CAP. If the manual calculation shows that the 95 percent CAP will be exceeded, all supporting application documentation, including the manual CCC-564D shall be forwarded to PECD, Common Provisions Branch (CPB). CPB will assist the County Office in issuing the payment.

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2 County Office Action (Continued)

B Written Agreements

County Offices must establish basic FSA units to ensure that the share relationships are established correctly for those producers listed on the RMA download with written agreements.

CDP crop table will not have an insured record for crops covered by written agreement. The affected applications shall be loaded through the noninsurable software option and the County Office will be required to manually calculate the 95 percent CAP using manual worksheet CCC-564D. Payments may be issued to producers that do not exceed the CAP. If the manual calculation shows that the 95 percent CAP will be exceeded, all supporting application documentation, including the manual CCC-564D, shall be forwarded to PECD, CPB. CPB will assist the county office in issuing the payment.

Note: Insurance units will not be used, even if optional units are downloaded.

C Action

County Offices shall complete the following steps if an insured application meets the criteria outlined in this notice:

- establish basic FSA units according to 5-DAP, subparagraph 30 B (if FSA units have not previously been established)
- determine if the crop in question is insurable in the county.

Note: County Offices can determine if the crop has an insurable record by printing the Crop Loss Disaster Table Report from the Crop Disaster Program Reports Menu MHADRM according to 5-DAP, paragraph 225. If the crop has an insurable record the "RMA Crop", "RMA Type", and "RMA Practice" columns will have RMA data in them.

If the county:

- has an insurable crop record, load application as insured through Cmd16 using the FSA basic unit number
- does not have an insurable record for the crop, load application as noninsurable and manually calculate the 95 percent CAP. If CAP is:
 - not reached, issue CDP payments
 - reached, forward entire case file, including manual CCC-564D to PECD, CPB. CPB will assist the County Office in issuing the payment.

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